

NEW APPLICATION



The CommLaw Group

HELEIN & MARASHLIAN, LLC
8618 Westwood Center Drive
Suite 300
Vienna, Virginia 22182

Telephone: (703) 714-1300
Facsimile: (703) 714-1330
E-mail: mail@CommLawGroup.com
Website: www.CommLawGroup.com

Writer's Direct Dial Number
703-714-1313

Writer's E-mail Address
jsm@commlawgroup.com

January 16, 2007

Via Overnight Courier

Docket Control
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

T-20500A-07-0041

**Re: *ABS-CBN Telecom North America, Incorporated
Application and Petition for Certificate of Convenience and
Necessity to Provide Intrastate Telecommunications Services***

17 CORP COMMISSION
DOCUMENT CONTROL

2007 JAN 16 PM 1:42

RECEIVED

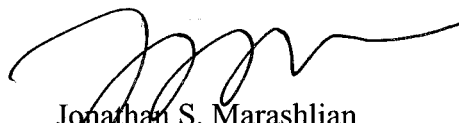
Ladies and Gentlemen:

On behalf of ABS-CBN Telecom North America, Incorporated, transmitted herewith are an original plus thirteen (13) copies of its Application and Petition for Certificate of Convenience and Necessity to Provide Intrastate Telecommunications Services.

An additional copy of this filing is also enclosed, to be date-stamped and returned in the postage-prepaid envelope provided.

Should there be any questions regarding this filing, kindly contact the undersigned.

Respectfully submitted,



Jonathan S. Marashlian
Regulatory Counsel

JSM/sr
Enclosure

ARIZONA CORPORATION COMMISSION

**Application and Petition for Certificate of Convenience and Necessity to Provide
Intrastate Telecommunications Services**

Mail original plus 13 copies of completed application to:

For Docket Control Only:
(Please Stamp Here)

Docket Control Center
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007-2927

Please indicate if you have current applications pending
in Arizona as an Interexchange reseller, AOS provider,
or as the provider of other telecommunication services.

Type of Service: _____

Docket No.: _____ Date: _____ Date Docketed: _____

Type of Service: _____

Docket No.: _____ Date: _____ Date Docketed: _____

A. COMPANY AND TELECOMMUNICATION SERVICE INFORMATION

(A-1) Please indicate the type of telecommunications services that you want to provide in Arizona and mark the appropriate box(s).

- ☒ **X** Resold Long Distance Telecommunications Services (Answer Sections A, B).
- ☐ Resold Local Exchange Telecommunications Services (Answer Sections A, B, C).
- ☐ Facilities-Based Long Distance Telecommunications Services (Answer Sections A, B, D).
- ☐ Facilities-Based Local Exchange Telecommunications Services (Answer Sections A, B, C, D, E)
- ☐ Alternative Operator Services Telecommunications Services (Answer Sections A, B)
- ☐ Other _____ (Please attach complete description)

(A-2) The name, address, telephone number (including area code), facsimile number (including area code), e-mail address, and World Wide Web address (if one is available for consumer access) of the Applicant:

ABS-CBN Telecom North America, Incorporated
150 Shoreline Drive
Redwood City, California 94065
Tel: 650-508-6000
Fax: 650-508-6001
Email: NDuma@abs-cbni.com

(A-3) The d/b/a ("Doing Business As") name if the Applicant is doing business under a name different from that listed in Item (A-2):

N/A

(A-4) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Management Contact:

Kerwin Du
ABS-CBN Telecom North America, Incorporated
150 Shoreline Drive
Redwood City, California 94065
Tel: 650-508-6000
Fax: 650-508-6001
Email: KDu@abs-cbni.com

(A-5) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Attorney and/or Consultant:

Jonathan S. Marashlian, Regulatory Counsel
Helein & Marashlian, LLC
The CommLaw Group
8618 Westwood Center Drive
Suite 300
Vienna, Virginia 22182
Tel: 703-714-1313
Fax: 703-714-1330
Email: jsm@commlawgroup.com

(A-6) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Complaint Contact Person:

Noel Duma
ABS-CBN Telecom North America, Incorporated
150 Shoreline Drive
Redwood City, California 94065
Tel: 650-508-6000
Fax: 650-508-6001
Email: ??? NDuma@abs-cbni.com

(A-7) What type of legal entity is the Applicant? Mark the appropriate box(s) and category.

- ☐ Sole proprietorship
- ☐ Partnership: _____ Limited, _____ General, _____ Arizona, _____ Foreign
- ☐ Limited Liability Company: _____ Arizona, _____ Foreign
- ☒ X Corporation: _____ X "S", _____ "C", _____ Non-profit
- ☐ Other, specify: _____

(A-8) Please include "Attachment A":

Attachment "A" must include the following information:

1. A copy of the Applicant's Certificate of Good Standing as a domestic or foreign corporation, LLC, or other entity in Arizona.
2. A list of the names of all owners, partners, limited liability company managers (or if a member managed LLC, all members), or corporation officers and directors (specify).
3. Indicate percentages of ownership of each person listed in A-8.2.

See Attachment A

(A-9) Include your Tariff as "Attachment B".

Your Tariff must include the following information:

1. Proposed Rates and Charges for each service offered (reference by Tariff page number).
2. Tariff Maximum Rate and Prices to be charged (reference by Tariff page number).
3. Terms and Conditions Applicable to provision of Service (reference by Tariff page number).
4. Deposits, Advances, and/or Prepayments Applicable to provision of Service (reference by Tariff page number).
5. The proposed fee that will be charged for returned checks (reference by Tariff page number).

See Attachment B

(A-10) Indicate the geographic market to be served:

☒

X Statewide. (Applicant adopts statewide map of Arizona provided with this application).

☐

Other. Describe and provide a detailed map depicting the area.

(A-11) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any formal or informal complaint proceedings pending before any state or federal regulatory commission, administrative agency, or law enforcement agency.

Describe in detail any such involvement. Please make sure you provide the following information:

1. States in which the Applicant has been or is involved in proceedings.
2. Detailed explanations of the Substance of the Complaints.
3. Commission Orders that resolved any and all Complaints.
4. Actions taken by the Applicant to remedy and/or prevent the Complaints from re-occurring.

N/A

(A-12) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any civil or criminal investigation, or had judgments entered in any civil matter, judgments levied by any administrative or regulatory agency, or been convicted of any criminal acts within the last ten (10) years.

Describe in detail any such judgments or convictions. Please make sure you provide the following information:

1. States involved in the judgments and/or convictions.
2. Reasons for the investigation and/or judgment.
3. Copy of the Court order, if applicable.

N/A

(A-13) Indicate if the Applicant's customers will be able to access alternative toll service providers or resellers via 1+101XXXX access.

☐ **X** Yes

☐ No

(A-14) Is Applicant willing to post a Performance Bond? Please check appropriate box(s).

☐ **X** For Long Distance Resellers, a \$10,000 bond will be recommended for those resellers who collect advances, prepayments or deposits.

☐ Yes

☐ **X** No

If "No", continue to question (A-15).

☐ For Local Exchange Resellers, a \$25,000 bond will be recommended.

☐ Yes

☐ No

If "No", continue to question (A-15).

☐ For Facilities-Based Providers of Long Distance, a \$100,000 bond will be recommended.

☐ Yes

☐ No

If "No", continue to question (A-15).

☐ For Facilities-Based Providers of Local Exchange, a \$100,000 bond will be recommended.

☐ Yes

☐ No

If any box in (A-14) is marked "No", continue to question (A-15).

Note: Amounts are cumulative if the Applicant is applying for more than one type of service.

(A-15) If any box in (A-14) is marked "No", provide the following information. Clarify and explain the Applicant's deposit policy (reference by tariff page number). Provide a detailed explanation of why the Applicant's superior financial position limits any risk to Arizona consumers.

Applicant does not require any form of advance payment or deposit in order for customers to obtain and use its services. See proposed tariff Arizona C.C. No. 1 at Page 11, Section 2.12.3.

Furthermore, Applicant's services are billed on a post-paid basis, meaning that services are rendered before a customer's obligation to pay arises. Therefore, Applicant does not pose any risk to Arizona customers, obviating any need for Applicant to secure a surety bond as a condition of certification.

(A-16) Submit copies of affidavits of publication that the Applicant has, as required, published legal notice of the Application in all counties where the Applicant is requesting authority to provide service.

Note: For Resellers, the Applicant must complete and submit an Affidavit of Publication Form as Attachment "C" before Staff prepares and issues its report. Refer to the Commission's website for Legal Notice Material (Newspaper Information, Sample Legal Notice and Affidavit of Publication). For Facilities-Based Service Providers, the Hearing Division will advise the Applicant of the date of the hearing and the publication of legal notice. Do not publish legal notice or file affidavits of publication until you are advised to do so by the Hearing Division.

See Attachment C

(A-17) Indicate if the Applicant is a switchless reseller of the type of telecommunications services that the Applicant will or intends to resell in Arizona:

☒

Yes

☐

No

If "Yes", provide the name of the company or companies whose telecommunications services the Applicant resells.

Applicant will resell the long distance telecommunications services of its underlying carrier, Callnet.

(A-18) List the States in which the Applicant has had an application approved or denied to offer telecommunications services similar to those that the Applicant will or intends to offer in Arizona:

Note: If the Applicant is currently approved to provide telecommunications services that the Applicant intends to provide in Arizona in less than six states, excluding Arizona, list the Public Utility Commission ("PUC") of each state that granted the authorization. For each PUC listed provide the name of the contact person, their phone number, mailing address including zip code, and e-mail address.

Applicant is approved or otherwise authorized to provide service in California, the District of Columbia, Florida, Illinois, Nevada, New Jersey, New York, Pennsylvania, Texas and Washington.

(A-19) List the States in which the Applicant currently offers telecommunications services similar to those that the Applicant will or intends to offer in Arizona.

Note: If the Applicant currently provides telecommunication services that the Applicant intends to provide in Arizona in six or more states, excluding Arizona, list the states. If the Applicant does not currently provide telecommunications services that the Applicant intends to provide in Arizona in five or less states, list the key personnel employed by the Applicant. Indicate each employee's name, title, position, description of their work experience, and years of service in the telecommunications services industry.

Applicant currently offers service in California, the District of Columbia, Florida, Illinois, Nevada, New Jersey, New York, Pennsylvania, Texas and Washington.

(A-20) List the names and addresses of any alternative providers of the service that are also affiliates of the telecommunications company, as defined in R14-2-801.

None

(A-21) Check here if you wish to adopt as your petition a statement that the service has already been classified as competitive by Commission Decision:

- ☒ **X** Decision # 64178 Resold Long Distance
- ☐ Decision # 64178 Resold LEC
- ☐ Decision # 64178 Facilities Based Long Distance
- ☐ Decision # 64178 Facilities Based LEC

B. FINANCIAL INFORMATION

(B-1) Indicate if the Applicant has financial statements for the two (2) most recent years.

- ☒ **X** Yes ☐ No

If "No," explain why and give the date on which the Applicant began operations.

(B-2) Include "Attachment D".

Provide the Applicant's financial information for the two (2) most recent years.

1. A copy of the Applicant's balance sheet.
2. A copy of the Applicant's income statement.
3. A copy of the Applicant's audit report.
4. A copy of the Applicant's retained earnings balance.
5. A copy of all related notes to the financial statements and information.

Note: Make sure "most recent years" includes current calendar year or current year reporting period.

See Attachment D.

(B-3) Indicate if the Applicant will rely on the financial resources of its Parent Company, if applicable.

No.

(B-4) The Applicant must provide the following information.

1. Provide the projected total revenue expected to be generated by the provision of telecommunications services to Arizona customers for the first twelve months following certification, adjusted to reflect the maximum rates for which the Applicant requested approval. Adjusted revenues may be calculated as the number of units sold times the maximum charge per unit.
2. Provide the operating expenses expected to be incurred during the first twelve months of providing telecommunications services to Arizona customers following certification.

3. Provide the net book value (original cost less accumulated depreciation) of all Arizona jurisdictional assets expected to be used in the provision of telecommunications service to Arizona customers at the end of the first twelve months of operation. Assets are not limited to plant and equipment. Items such as office equipment and office supplies should be included in this list.
4. If the projected value of all assets is zero, please specifically state this in your response.
5. If the projected fair value of the assets is different than the projected net book value, also provide the corresponding projected fair value amounts.

The projected value of Applicant's assets in Arizona is zero.

Revenue and expense projections for the first year of operations in Arizona are enclosed at Attachment E.

C. RESOLD AND/OR FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(C-1) Indicate if the Applicant has a resale agreement in operation,

☐

Yes

☐

No

If "Yes", please reference the resale agreement by Commission Docket Number or Commission Decision Number.

D. FACILITIES-BASED LONG DISTANCE AND/OR FACILITIES BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(D-1) Indicate if the Applicant is currently selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services in Arizona. This item applies to an Applicant requesting a geographic expansion of their CC&N:

☐

Yes

☐

No

If "Yes," provide the following information:

1. The date or approximate date that the Applicant began selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services in Arizona.
2. Identify the types of facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services that the Applicant sells in Arizona.

If "No," indicate the date when the Applicant will begin to sell facilities-based long distance telecommunications AND/OR facilities-based local exchange telecommunications services in Arizona.

E. FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(E-1) Indicate whether the Applicant will abide by the quality of service standards that were approved by the Commission in Commission Decision Number 59421:

☐

Yes

☐

No

(E-2) Indicate whether the Applicant will provide all customers with 911 and E911 service, where available, and will coordinate with incumbent local exchange carriers ("ILECs") and emergency service providers to provide this service:

☐

Yes

☐

No

(E-3) Indicate that the Applicant's switch is "fully equal access capable" (i.e., would provide equal access to facilities-based long distance companies) pursuant to A.A.C. R14-2-1111 (A):

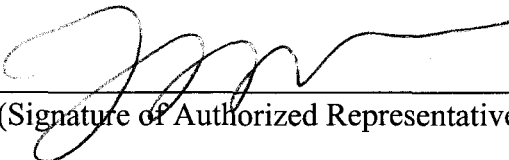
☐

Yes

☐

No

I certify that if the applicant is an Arizona corporation, a current copy of the Articles of Incorporation is on file with the Arizona Corporation Commission and the applicant holds a Certificate of Good Standing from the Commission. If the company is a foreign corporation or partnership, I certify that the company has authority to transact business in Arizona. I certify that all appropriate city, county, and/or State agency approvals have been obtained. Upon signing of this application, I attest that I have read the Commission's rules and regulations relating to the regulations of telecommunications services (A.A.C. Title 14, Chapter 2, Article 11) and that the company will abide by Arizona state law including the Arizona Corporation Commission Rules. I agree that the Commission's rules apply in the event there is a conflict between those rules and the company's tariff, unless otherwise ordered by the Commission. I certify that to the best of my knowledge the information provided in this Application and Petition is true and correct.



(Signature of Authorized Representative)

1/11/07

(Date)

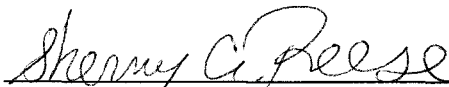
Jonathan S. Marashlian

(Print Name of Authorized Representative)

Regulatory Counsel

(Title)

SUBSCRIBED AND SWORN to before me this 11th day of January, 2007



NOTARY PUBLIC

My Commission Expires 8-31-08

ATTACHMENT A

Arizona Certificate of Good Standing

Officers and Directors and Percentages of Ownership

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION
CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Brian C. McNeil, Executive Director of the Arizona Corporation Commission, do hereby certify that

*****ABS-CBN TELECOM NORTH AMERICA, INCORPORATED*****

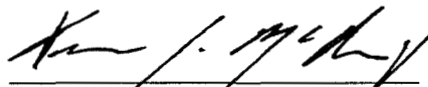
a foreign corporation organized under the laws of California did obtain authority to transact business in the State of Arizona on the 25th day of May 2004.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation has not had its authority revoked for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed an Application for Withdrawal as of the date of this certificate.

This certificate relates only to the legal authority of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 10th Day of January, 2007, A. D.


Executive Director

Order Number: 114846

Officers:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

Rafael L. Lopez, Secretary
150 Shoreline Drive
Redwood City, California 94065

Jose Ramon Olives, Treasurer
150 Shoreline Drive
Redwood City, California 94065

Directors:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

Rafael L. Lopez, Secretary
150 Shoreline Drive
Redwood City, California 94065

Jose Ramon Olives, Treasurer
150 Shoreline Drive
Redwood City, California 94065

Ownership:

ABS-CBN Telecom North America, Incorporated is owned 100% by:

ABS-CBN International
150 Shoreline Drive
Redwood City, California 94065

ATTACHMENT B

Proposed Tariff

ABS-CBN Telecom North America, Incorporated

TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for resold interexchange telecommunication services provided by **ABS-CBN Telecom North America, Incorporated**, with principal offices at 150 Shoreline Drive, Redwood City, California 94065.

This tariff applies for services furnished within the state of Arizona. This tariff is on file with the Arizona Corporation Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

CHECK SHEET

Pages of this tariff, as indicated below, are effective as of the date shown at the bottom of the respective pages. Original and revised pages, as named below, comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this page.

PAGE NO.	REVISION	PAGE NO.	REVISION
1	Original		
2	Original		
3	Original		
4	Original		
5	Original		
6	Original		
7	Original		
8	Original		
9	Original		
10	Original		
11	Original		
12	Original		
13	Original		
14	Original		
15	Original		
16	Original		
17	Original		
18	Original		
19	Original		

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

TABLE OF CONTENTS

Check Sheet	2
Table of Contents.....	3
Symbols.....	4
SECTION 1 - Terms and Abbreviations	5
SECTION 2 - Rules and Regulations	6
SECTION 3 - Description of Services.....	12
SECTION 4 - Rates	15
SECTION 5 - Promotions.....	18
SECTION 6 - Contract Services	19

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

SYMBOLS

The following are the only symbols used for the purposes indicated below:

- (C) - Change in Rule or Regulation.
- (D) - Delete or discontinue.
- (I) - Change Resulting in an increase to a customer's bill.
- (M) - Moved from another tariff location.
- (N) - New
- (R) - Change resulting in a reduction to a customer's bill.
- (T) - Change in text or regulation.

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

SECTION 1 - TERMS AND ABBREVIATIONS

ACC - Refers to the Arizona Corporation Commission.

Access Line - An arrangement which connects the Subscriber's or Customer's location to the Carrier's designated point of presence or network switching center.

Authorized User - A person, firm or corporation, or any other entity authorized by the Customer or Subscriber to communicate utilizing the Company's services.

Carrier or Company - ABS-CBN Telecom North America, Incorporated, unless otherwise indicated by the context.

Customer - The person, firm or corporation, or other entity which orders, cancels, amends, or uses service and is responsible for the payment of charges and/or compliance with tariff regulations.

Customer Premises Equipment - Terminal equipment, as defined herein, which is located on the Customer's premises.

Dedicated Access - See Special Access Origination/Termination.

Special Access Origination/Termination - Where originating or terminating access between the Customer and the interexchange carrier is provided on dedicated circuits. The Access Provider provides these dedicated circuits from the Customer's location to the Company's point of presence. The rates and charges for dedicated circuits are determined by the Access Provider and the Customer is responsible for payment of these charges to the Access Provider.

Subscriber - The person, firm, corporation, or other legal entity, which arranges for services of the Company on behalf of itself or Authorized Users. The Subscriber is responsible for compliance with the terms and conditions of this tariff. A Subscriber may also be a Customer when the Subscriber uses services of the Company.

Switched Access Origination/Termination - Where originating or terminating access between the Customer and the interexchange carrier is provided on Feature Group D circuits.

Terminal Equipment - Devices, apparatus, and associated wiring, such as teleprinters, telephones, or data sets.

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

SECTION 2 - RULES AND REGULATIONS**2.1 Undertaking of the Company**

Company offers intrastate interexchange service originating at specified points within the state of Arizona under terms of this tariff. The Company's services and resold facilities are provided on a monthly basis unless otherwise provided, and are available twenty-four hours per day, seven days per week.

The Company installs, operates, and maintains the communications services provided herein in accordance with the terms and conditions set forth under this tariff. The Company may act as the Subscriber's agent for ordering access connection facilities provided by other carriers or entities when authorized by the Subscriber, to allow connection of a Subscriber's location to the Company's network. The Subscriber shall be responsible for all charges due for such service arrangement.

2.2 Limitations

- 2.2.1** Service is offered subject to the availability of the necessary resold facilities and equipment, or both facilities and equipment, and subject to the provisions of this tariff.
- 2.2.2** The Company reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the Subscriber or Customer is using service in violation of provisions of this tariff, or in violation of the law.
- 2.2.3** The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.
- 2.2.4** All services and resold facilities provided under this tariff are directly or indirectly controlled by the Company and the Subscriber may not transfer or assign the use of service or facilities without the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.
- 2.2.5** Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

SECTION 2 - RULES AND REGULATIONS

2.3 Use

Services provided under this tariff may be used for any lawful purpose for which the service is technically suited.

2.4 Liabilities of the Company

2.4.1 The Company's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, shall be determined in accordance with AAC R14-2-507 and any other applicable law.

2.4.2 The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.

2.4.3 The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer and Subscriber against any claim or loss, expense, or damage (including indirect, special or consequential damage) for defamation, libel, slander, invasion, infringement of copy-right or patent, unauthorized use of any trademark, trade name or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this tariff; or for any act or omission of the Customer or Subscriber; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use or removal of equipment or wiring provided by the Company, if not directly caused by negligence of the Company.

2.4.4 The Company shall not be liable for any defacement of or damages to the premises of a Subscriber resulting from the furnishing of service, which is not the direct result of the Company's negligence.

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

SECTION 2 - RULES AND REGULATIONS

2.5 Taxes

All state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates.

2.6 Terminal Equipment

The Company's facilities and service may be used with or terminated in Subscriber-provided terminal equipment or Subscriber-provided communications systems, such as a PBX or Pay Telephone. Such terminal equipment shall be furnished and maintained at the expense of the Subscriber, except as otherwise provided. The Subscriber is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like, incurred in the use of the Company's service. When such terminal equipment is used, the equipment shall comply with the generally accepted minimum protective criteria standards of the telecommunications industry as endorsed by the Federal Communications Commission.

2.7 Installation and Termination

Service is installed upon mutual agreement between the Subscriber and the Company. The agreement will determine terms and conditions of installation, termination of service, any applicable sales commission structure, and sales commission payment schedule. The service agreement does not alter rates specified in this tariff.

When Customers are members of the transient public, they do not contract directly with the Company for provision of service. Subscribers contract for service on behalf of themselves and/or their transient patrons. Service provided to Customers (patrons of the contracting party) is governed by the terms of this tariff schedule and the lawful terms of the billing agency. No contractual agreements are required of the Customer.

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

SECTION 2 - RULES AND REGULATIONS

2.8 Cancellation by the Company

Without incurring liability, the Company may immediately discontinue services to a Subscriber or End User or may withhold the provision of ordered or contracted services:

- 2.8.1 For nonpayment of any sum due for more than thirty days after issuance of the bill for the amount due,
- 2.8.2 For violation of any of the provisions of this tariff,
- 2.8.3 For violation of any law, rule, regulation or policy of any governing authority having jurisdiction over the Company 's services, or
- 2.8.4 By reason of any order or decision of a court, public service commission or federal regulatory body or other governing authority prohibiting the Company from furnishing its services.

2.9 Interruption of Service by the Company

Without incurring liability, the Company may interrupt the provision of services at any time in order to perform tests and inspections to assure compliance with tariff regulations and the proper installation and operation of subscriber and the Company 's equipment and facilities and may continue such interruption until any items of non-compliance or improper equipment operation so identified are rectified.

The Company may discontinue Service without notice to the subscriber, by blocking traffic to certain countries, cities, or NXX exchanges, or by blocking calls using certain customer authorization codes, when the Company deems it necessary to take such action to prevent unlawful use of its service. The Company will restore service as soon as it can be provided without undue risk, and will, upon request by the customer affected, assign a new authorization code to replace the one that has been deactivated.

2.10 Termination of Service by Subscriber

Unless otherwise specified by contractual commitment, any Subscriber may terminate service with the Company upon thirty days written notice.

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

SECTION 2 - RULES AND REGULATIONS

2.11 Payment for Service

All charges due by the Customer are payable to any agency duly authorized to receive such payments. The billing agency may be a local exchange telephone company, credit card company or other billing service. Terms of payment shall be according to the rules and regulations of the agency and subject to the rules of regulatory agencies, such as the ACC. Any objections to billed charges must be reported within 180 days to the Company's billing agent. Adjustments to Customer's bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate.

Customers who are dissatisfied with the response to their complaint may contact the Arizona Corporation Commission for resolution of the issues at the following address:

Arizona Corporation Commission

Phoenix Office:

1200 W. Washington St.

Metro Phoenix, AZ 85007

(602) 542-4251

(800) 222-7000 (AZ residents only)

Tucson Office:

400 W. Congress, Room 218

Metro Tucson, AZ 85701-1347

(520) 628-6550

(800) 535-0148 (AZ residents only)

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

SECTION 2 - RULES AND REGULATIONS

2.12 Other Rules

2.12.1 Regulatory Changes

The Company reserves the right to discontinue service, limit service, or to impose requirements on Subscribers as required to meet changing regulatory rules and standards of the ACC and the Federal Communications Commission.

2.12.2 Refunds or Credits for Service Outages or Deficiencies

Credit allowances for interruptions of service caused by service outages or deficiencies are limited to the initial minimum period call charges for re-establishing the interrupted call.

2.12.3 Advance Payments/Deposits

The Company does not require advance payments and does not collect deposits.

2.13 800 Numbers

2.13.1 The Company will make every effort to reserve "800" vanity numbers on behalf of customers, but makes no guarantee or warrantee that the requested "800" number(s) will be available or assigned to the customer requesting the number.

2.13.2 If a Customer accumulates undisputed past-due charges, the Company reserves the right not to honor the Customer's request for a change in 800 service to another carrier (e.g., "porting" of the 800 number), including a request for a Responsible Organization (Resp Org) change, until such time as all charges are paid in full.

2.13.3 800 numbers shared by more than one Customer, whereby individual customers are identified by a unique Personal Identification Number, may not be assigned or transferred for use with service provided by another carrier. The Company will only honor Customer requests for change in Resp Org or 800 service provider for 800 numbers dedicated to the sole use of that single Customer.

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

SECTION 3 - DESCRIPTION OF SERVICES

3.1 Usage Based Services/Timing of Calls

The Company's charges are based on the usage of Company's services, plus any special features and/or service options, if any. Charges begin when the calling and called stations are connected. Charges cease when either the terminating or originating point goes on hook.

3.2 Distance Sensitivity

The Company's charges are distance insensitive.

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

SECTION 3 - DESCRIPTION OF SERVICES (Cont'd)

3.3 Basic Long Distance Services

Carrier's Basic Long Distance Services are switched equal access outbound services using standard equal access dialing (1+NPA+NXX+XXX) to place interLATA and intraLATA calls from customer premises to points located within Arizona, the rates of which are flat rate based on usage and switched equal access inbound services using standard equal access dialing (1+800+NXX+XXX or 1+888+NXX+XXX). Rates and charges for Carrier's Basic Long Distance Services are set forth in Section 4.

3.4 Operator Service

Standard operator services and operator assistance services are not offered by Company but are available from its Underlying Carrier subject to the rates and charges of that Carrier.

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

SECTION 3 - DESCRIPTION OF SERVICES(Cont'd)

3.5 Emergency Calls

911 and similar emergency calls are routed by the Company's underlying carrier. No billing applies to emergency calls.

3.6 Location of Service

The Company's service is available statewide and is not intended to be limited geographically.

3.7 Directory Assistance

The Company offers standard directory assistance.

3.8 Calculation of Mileage

Company's current services are not distance sensitive. Charges tariffed on a distance sensitive basis will be based on the airline distance between rate centers located within Arizona. The distance between rate centers is determined by applying the vertical and horizontal coordinates associated with the rate centers involved as set forth in AT&T's Tariff F.C.C. No. 10.

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

SECTION 4 - RATES

4.1 Description of Rates

Services are available to subscribers under the following rate plans. Calls in each rate plan are billed in increments with minimum billing increments as specified. No charge is made for an uncompleted call.

4.2 ABS-CBN Long Distance Direct

ABS-CBN Long Distance Direct offers 1+ calling. LDD features rates that are time-of-day and distance insensitive and are available to all areas with equal access. Billing is in full minute increments rounded to the next full minute increment.

No minimum monthly charges apply – billing is based entirely upon usage.

For the first and each additional minute or fraction thereof, the following rates apply:

All Time Periods: \$ 0.10*

* First 20 minutes calling each monthly billing cycle is free – amount is credited to account.

4.3 Calling Card Service

Company's Basic Plan Calling Card Service is billed in one-minute increments with a minimum billing increment of one minute at the following flat rate:

\$0.10/minute or fraction thereof.

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

SECTION 4 - RATES (Cont'd)

4.4 Miscellaneous Charges

4.4.1 Returned check charge

Carrier charges a fee of \$20.00 or 5% of the amount of any check returned for insufficient funds, whichever is greater.

4.4.2 Promotions

Carrier promotions when offered must be approved by the ACC. Such promotions will specify any changes reduced or waived; customers who are eligible for the promotion; the conditions of eligibility; and the starting and ending dates of the promotional offer. Customer's promotional rates are limited to 90 days in any 12 month period.

4.4.3 Directory Assistance Charge

\$0.95/Call

4.4.4 Late Payment Charge

A late payment of 1.5% per month will be charged on any past due balance.

4.5 Taxes

The Customer will be billed for, and is responsible for payment of any taxes, surcharges, fees or assessments (excluding taxes on the Company's net income) imposed on or based upon provision, sale or use of the Company's services.

4.5.1 Arizona Universal Service Fund:

0.1565% of all invoiced intrastate charges, not including certain taxes.

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

SECTION 4 – RATES (Cont'd)**4.6 Public Telephone Surcharge**

In order to recover the Company's expenses to comply with the FCC's pay telephone compensation plan effective on October 7, 1997 (FCC 97-371), an undiscountable per call charge is applicable to all interstate, intrastate and international calls that originate from any domestic pay telephone used to access the Company's services. This surcharge, which is in addition to standard tariffed usage charges and any applicable service charges and surcharges associated with the Company's service, applies for the use of the instrument used to access the Company service and is unrelated to the Company's service accessed from the pay telephone.

Pay telephones include coin-operated and coinless phones owned by local telephone companies, independent companies and other interexchange carriers. The Public Pay Telephone Surcharge applies to the initial completed call and any reoriginated call (i.e., using the "#" symbol).

Whenever possible, the Public Pay Telephone Surcharge will appear on the same invoice containing the usage charges for the surcharged call. In cases where proper pay telephone coding digits are not transmitted to the Company prior to completion of a call, the Public Pay Telephone Surcharge may be billed on a subsequent invoice after the Company has obtained information from a carrier that the originating station is an eligible pay telephone.

The Public Pay Telephone Surcharge does not apply to calls placed from pay telephones at which the Customer pays for service by inserting coins during the progress of the call.

4.6.1 Public Telephone Surcharge

Rate per Call	\$0.30
---------------	--------

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

SECTION 5 - PROMOTIONS

5.1 Promotions - General

From time to time the Company shall, at its option, promote subscription or stimulate network usage by offering to waive some of all of the nonrecurring or recurring charges for the Customer (if eligible) of target services for a limited duration, not to exceed 90 days, or by offering premiums or refunds of equivalent value. Such promotions shall be made available to all similarly situated Customers in the target market area. All promotions will be filed with and approved by the Commission prior to offering them to Customers.

5.2 Demonstration of Calls

From time to time the Company shall demonstrate service by providing free test calls of up to four minutes duration over its network.

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

SECTION 6 - CONTRACT SERVICES

6.1 General

At the option of the Company, service may be offered on a contract basis to meet specialized requirements of the Customer not contemplated in this tariff. The terms of each contract shall be mutually agreed upon between the Customer and Company and may include discounts off of rates contained herein, waiver of recurring or nonrecurring charges, charges for specially designed and constructed services not contained in the Company's general service offerings, or other customized features. The terms of the contract may be based partially or completely on the term and volume commitment, type of originating or terminating access, mixture of services or other distinguishing features. Service shall be available to all similarly situated Customers for six months after the initial offering to the first contract Customer for any given set of terms.

Each contract will be filed with the Arizona Corporations Commission.

Issued:

Effective:

Eugenio Lopez III, Chairman
150 Shoreline Drive
Redwood City, California 94065

ATTACHMENT C

Affidavit of Publication Form

**NOTICE OF APPLICATION FOR A CERTIFICATE OF
CONVENIENCE AND NECESSITY TO PROVIDE
COMPETITIVE RESOLD INTEREXCHANGE
TELECOMMUNICATIONS SERVICES BY
ABS-CBN TELECOM NORTH AMERICA, INCORPORATED**

ABS-CBN Telecom North America, Incorporated ("Applicant") has filed with the Arizona Corporation Commission ("Commission") an application for a Certificate of Convenience and Necessity ("Certificate") to provide competitive resold interexchange telecommunications services in the State of Arizona. Applicant will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission.

A.R.S. § 40-282 provides that the Commission may act on an application for a Certificate to provide resold telecommunications services without a hearing, or with a hearing, if one is requested by any party. Applicant or any other party must request a hearing within twenty (20) days of the date of this notice, or the Commission will rule on the application without a hearing.

The application, report of the Commission's Utilities Division Staff, and any written exceptions to the Staff report prepared by the Applicant are available for inspection during regular business hours at the offices of the Commission located at 1200 West Washington Street, Phoenix, Arizona 85007, and at Applicant, located at 150 Shoreline Drive, Redwood City, California 94065.

Under appropriate circumstances, interested parties may intervene in the proceedings, and participate as a party. Intervention shall be in accordance with the A.A.C. R 14-3-105, except that all motions to intervene must be filed on or within twenty (20) days of the date of this notice. You may have the right to intervene in the proceedings, or you may make a statement for the record. If you have any comments, mail them to:

The Arizona Corporation Commission
Attention: Docket Control
Re: ABS-CBN Telecom North America, Incorporated
Docket No. _____
1200 West Washington Street
Phoenix, Arizona 85007

All Comments should be received within twenty (20) days of the date of this notice.

If you have any questions about this application or have any objections to its approval, you may contact Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007, or call 1-800-222-7000.

The Commission does not discriminate on the basis of disability in the admission to its public hearings. Persons with a disability may request reasonable accommodations such as sign language interpreter, as well as request this document in an alternate format, by contacting Shelley Hood, ADA Coordinator, voice phone number (602) 542-3931, e-mail shood@cc.state.az.us. Requests should be made as early as possible to allow time to arrange the accommodation.

ATTACHMENT D

Financial Statements for Two Most Recent Years

ABS-CBN TELECOM NORTH AMERICA
BALANCE SHEET
DECEMBER 31, 2005

ASSETS		AMOUNT
CURRENT ASSETS		
CASH AND CASH EQUIVALENTS	\$	1,336,772.73
ACCOUNTS RECEIVABLE - TRADE (NET)	\$	3,060,457.42
PREPAID EXPENSES	\$	36,217.84
OTHER CURRENT ASSETS	\$	26,964.52
TOTAL CURRENT ASSETS		\$ 4,460,412.51
DUE FROM SUBSIDIARIES & AFFILIATED COMPANIES		\$ 45,083,004.79
PROPERTY AND EQUIPMENT-NET	\$	943,253.92
OTHER ASSETS	\$	6,339.50
TOTAL ASSETS		\$ 50,493,010.72
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE & ACCRUED EXPENSES	\$	1,689,877.33
LONG TERM LIABILITIES		\$ 48,884,086.48
STOCKHOLDERS' EQUITY		
PROFIT/LOSS FOR THE YEAR	\$	2,285,773.93
RETAINED EARNINGS - UNAPPROPRIATED	\$ (2,366,727.02)	\$ (80,953.09)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		\$ 50,493,010.72

**ABS-CBN TELECOM NORTH AMERICA
PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2005**

	AMOUNT	
REVENUES	\$	25,002,545.72
REVENUE DEDUCTIONS	\$	3,061,216.22
COST OF SALES AND SERVICES	\$ 15,980,721.54	\$ 19,041,937.76
GROSS PROFIT	\$	5,960,607.96
OPERATING EXPENSES	\$	3,764,211.78
INCOME FROM OPERATIONS	\$	2,196,396.18
OTHER INCOME (EXPENSES)	\$	89,377.75
NET INCOME	\$	<u>2,285,773.93</u>

**ABS CBN TELECOM NORTH AMERICA
UNAUDITED BALANCE SHEET
AS OF DECEMBER 31, 2004**

ASSETS

	In US Dollar
Current Assets	
Cash	\$ 902,787
Receivables	6,784,452
Prepaid Expenses	179,500
Other Current Assets	77,879
Total Current Assets	<u>7,944,616</u>
Property and Equipment -net	1,098,824
Advances to Affiliates	26,020,949
Other Assets	6,340
	<u><u>\$ 35,070,729</u></u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities	
Accounts payable and accrued expenses	\$ 9,016,089
Long Term Liabilities	\$ 28,356,651
Stockholders' Equity	
Capital Stock	-
Deficit	(2,302,011)
	<u>(2,302,011)</u>
	<u><u>\$ 35,070,729</u></u>

ABS CBN TELECOM NORTH AMERICA
UNAUDITED STATEMENT OF INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>AMOUNT</u>
Revenues	\$ 16,449,710.91
Cost of Sales	<u>\$ 12,370,145.96</u>
Gross Profit	\$ 4,079,564.95
Operating Expenses	<u>\$ 3,317,758.83</u>
Income from operations	\$ 761,806.12
Other income/(Expenses)	<u>\$ (71.58)</u>
Net Income	<u><u>\$ 761,734.54</u></u>

ATTACHMENT E

PROJECTED REVENUE, EXPENSES AND ASSET VALUES

The following table sets forth estimated customers, sales volumes, and expenses for the first twelve months of operation in Arizona.

Revenues & Costs	First Year
Subscribers	1055
Gross Revenues	\$316,625
MOUs/Month	334,577
MOUs/Year	4,014,932
Expenses	
CGS @ 38%	\$ 120,317
Bad Debt @ 6%	\$ 18,997
B&C @15%	\$ 47,494
Marketing @ 10%	\$ 31,662
G&A @ 8%	\$ 25,330
Allowances @ 4%	\$ 12,665
Totals Expenses	\$ 256,466
Net Return \$	\$ 60,159
Net Return %	19%

ABS-CBN Telecom North America, Incorporated currently has no assets of value in Arizona.